

# United States Senate

Washington, DC 20510-2004

June 10, 2011

The Honorable Patty Murray  
Chairman  
Committee on Appropriations  
Transportation, Housing, and  
Urban Development Subcommittee  
142 Dirksen  
Washington, DC 20510

The Honorable Susan Collins  
Ranking Member  
Committee on Appropriations  
Transportation, Housing, and  
Urban Development Subcommittee  
128 Dirksen  
Washington, DC 20510

Dear Chairman Murray and Ranking Member Collins:

Thank you for the opportunity to provide the Subcommittee on Transportation, Housing and Urban Development with recommendation on how to prioritize programmatic spending for fiscal year 2012.

While Congress works to balance the federal budget, we must recognize, support and fund the federal programs that are filling critical needs and that represent smart long-term investment decisions. Deferring programmatic funding for certain projects can result in short-term savings, but only lead to increased future expenditures and ultimately, an increase in the national debt. This is true for both our transportation infrastructure investments as well as our investments in affordable housing.

Below I have identified program areas within the jurisdiction of the Subcommittee on Transportation, Housing and Urban Development that are critical to the efficient operation of our transportation systems and support for Americans who are facing economic challenges in our urban communities.

## Transportation

The quality and efficiency of our country's transportation infrastructure are essential to our economy and the safety of its users. For more than five years, the American Society of Civil Engineers has given the condition of U.S. highway, bridge and transit systems near failing grades. Almost one-third of our nation's highways are in poor or mediocre condition and the cost of bringing our roads, bridges and transit systems into a state of good repair would cost well over \$1 trillion.

Funding for Federal Transit Programs: at a time of record high fuel prices and increasingly congested urban and suburban roadways, public transportation is a more important than ever.

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The President's fiscal year 2012 budget does not request funding through the traditional program titles because the President is calling for a consolidation of programs in an upcoming surface transportation reauthorization bill. Without endorsing the President's recommended reorganization of the various Federal Transit Administration (FTA) programs, I do want to express my support for the President's robust funding of \$22.351 billion for federal transit programs.

The transit programs included in the President's request are: \$150 million for the Washington Metropolitan Area Transit Authority; \$7.692 billion for Formula and Bus Grants; \$10.7 billion for Bus and Rail State of Good Repair; \$3.469 billion for Transit Expansion; \$166 million for Operations and Safety; and \$166 million for Research and Technology development.

Maryland is looking to transit solutions to help solve our congestion problems and improve our economic growth. The FTA is expected to approve design funding for three new major transit projects in Maryland in the immediate future. In addition, robust funding for the Transit Expansion program will allow for initial corridor studies for new transit options for Southern Maryland. These kinds of smart transit investments are the reason I support the President's transit funding request.

Appalachian Development Highway System: the Appalachian Development Highway System provides a critical transportation connection between the underserved and less affluent communities of Appalachia and the rest of the country. As the ADHS nears completion, it is more important than ever that the Congress fulfill its commitment to this region. I urge the appropriators to maintain fiscal year 2010 funding levels for the Appalachian Development Highway System Program.

Critical to the completion of the Appalachian Development Highway System is the removal of a provision in current law prohibiting states from applying toll credits as matching funds for ADHS projects. During these economically challenging times, states need as much flexibility as possible to find the resources needed to complete critical transportation projects that create jobs and drive economic development. I request that the Subcommittee include the following legislative language in the THUD Appropriations bill:

**Section 120(j)(1)(A) of title 23, United States Code, is amended by striking "and the Appalachian development highway system program under section 14501 of title 40".**



### **Housing and Urban Development**

I urge the Subcommittee to maintain the Federal Government's commitment to housing and community development and respectfully request support for the following critical programs:

Community Development Block Grant Program: the Community Development Block Grant (CDBG) program is the centerpiece of the Federal government's efforts to help more than 1,200 entitlement cities, urban counties, and States meet the needs of low- and moderate-income communities. It helps to fund a wide range of activities, including homeownership assistance, housing rehabilitation, public improvements, public services, and economic development projects. According to HUD, CDBG housing projects assisted 865,874 households over the past, including financial assistance to new homeowners and rehabilitation assistance to the elderly and other existing homeowners. In addition, over the past six years, the program helped create and retain 259,346 jobs for low- and moderate-income persons through a variety of economic development activities and provided vital public services to over 24 million persons.

I am very concerned about the impact past cuts have had on the program and the continued impact the proposed cuts will have on the communities that rely on this funding to serve their most vulnerable residents. Because of the cuts to the formula allocation, programs and projects funded by CDBG and the number of residents served by these activities have been cut as well. Therefore, I urge you to provide adequate funding in the FY12 THUD Appropriations bill equal to or above that provided in the FY11 CR, \$3.99 billion, to allow the CDBG program to continue vital rehabilitation and improvement projects.

Housing Counseling Assistance Program: the HUD Housing Counseling Assistance Program has been the primary source of housing information and resources for prospective and current homeowners, renters, and seniors. It enables housing counseling organizations to provide pre-purchase and non-delinquency post-purchase mortgage counseling, foreclosure prevention counseling, rental counseling, homelessness prevention counseling, and fair housing education. In addition, it is the only program that funds reverse mortgage counseling, which is mandatory for senior homeowners who seek a Home Equity Conversion Mortgage (HECM).

In Fiscal Year 2010, the Housing Counseling Assistance Program received \$87.5 million. The elimination of funding for the program in Fiscal Year 2011 has jeopardized HUD housing counseling beyond this fiscal year because most of the program's counseling functions cannot be assumed by other programs such as the National Foreclosure Mitigation Counseling Program.

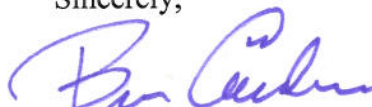
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The President's budget for Fiscal Year 2012 requests \$88 million for the HUD Housing Counseling Assistance Program. I request that the Subcommittee support the President's funding request of \$88 million in Fiscal Year 2012.

If I can provide any further information about these requests that would be helpful to the Subcommittee's deliberations, please feel free to contact me or have your staff contact Josh Klein or Jodi Schwartz at 4-4524.

Your attention to these requests is greatly appreciated. I am aware of all the assistance that you and your staff have provided in the past on requests critical to Maryland and the nation and I look forward to working with you on my priorities for fiscal 2012.

Sincerely,



Benjamin L. Cardin  
United States Senator

BLC:mb